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FOR IMMEDIATE RELEASE:

**OWNER OF PLATINUM MORTGAGE
BROKERAGE FIRM OF INDIANAPOLIS SENTENCED
TO 105 MONTHS IN PRISON FOR HIS ROLE
IN \$8 MILLION MORTGAGE FRAUD SCHEME**

PRESS RELEASE

Susan W. Brooks, United States Attorney for the Southern District of Indiana, announced that PAUL A. DAILEY, 34, Indianapolis, Indiana, was sentenced to 105 months imprisonment today by U.S. District Judge Larry J. McKinney following his guilty plea to conspiracy to commit mail fraud and money laundering. This case was the result of a two-year investigation by the U.S. Attorney's Mortgage Fraud Task Force including the FBI and the IRS.

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DAILEY operated Platinum Mortgage in Indianapolis from 1998 until May 2001 during which time the company brokered more than 100 fraudulent residential mortgages on properties principally in Center Township in Indianapolis. DAILEY and other members of the conspiracy, 13 of whom have been convicted, recruited several real estate appraisers and closing agents to assist in the fraudulent scheme. Basically, the properties were appraised for two to three times their true value. Straw purchasers obtained loans on the property well in excess of their true value, the profits were shared by the members of the conspiracy, and the purchasers defaulted on the loans, leaving the properties abandoned and boarded up. After mortgage lending companies refused to lend money to the Platinum Mortgage customers, DAILEY moved to Detroit and opened another mortgage brokerage company, Monumental Mortgage, and continued the mortgage fraud scheme in Detroit. The total amount of loss attributed to the schemes is more than \$8 million dollars. DAILEY received the longest term of imprisonment of the members of the conspiracy because he had several prior criminal convictions, he received a substantial portion of the illegal profits of the scheme, and continued the fraud in Detroit.

According to Assistant United States Attorney Donna R. Eide, who prosecuted the case for the government, Judge McKinney also imposed 3 years supervised release following DAILEY's release from imprisonment. DAILEY was ordered to make \$3.7 million restitution.

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